



(Billing Code 5001-06-P)

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Part 204

RIN 0750-AH80

Defense Federal Acquisition Regulation Supplement:

Clarification of "F" Orders in the Procurement Instrument

Identification Number Structure (DFARS Case 2012-D040)

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Final rule.

SUMMARY: DoD is issuing a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to update instructions for assigning basic and supplementary procurement instrument identification numbers.

DATES: Effective: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER.]

FOR FURTHER INFORMATION CONTACT: Fernell Warren, telephone 571-372-6089.

SUPPLEMENTARY INFORMATION:

I. Background

DoD published a proposed rule in the Federal Register at 77 FR 51957 on August 28, 2012, to update instructions for assigning basic and supplementary procurement instrument identification

numbers (PIIN) by limiting the use of "F" in the 9th position of the PIIN to those orders and calls issued by DoD under indefinite delivery type contracts and agreements issued by departments or agencies outside the DoD. Two respondents submitted public comments in response to the proposed rule.

II. Discussion and Analysis of the Public Comments

DoD reviewed the public comments in the development of the final rule. A discussion of the comments is provided.

A. Summary of Changes from the Proposed Rule

There were no changes made from the proposed rule as a result of the comments.

B. Analysis of public comments

1. Information technology

Comment: One respondent was concerned that if AbilityOne and FPI vendors were no longer identified by an "F" in the 9th position of the PIIN, field activities would no longer be able to pull data relating to these awards. The respondent asked what office would be responsible for retrieving such data, and whether a particular system, EProcurement/Records Management, allows for data retrieval via Data Universal Numbering System number and/or Commercial and Government Entity code.

Response: The "F" in the 9th position has not been exclusively utilized for AbilityOne and FPI awards; therefore retrieving data by the "F" in 9th position does not provide a sufficiently

discrete result. DoD uses other data elements, such as specific DUNS numbers and validations from the Ability One Program, as indicators for awards to Federal Prison Industries and Ability One vendors.

2. Implementation impact

Comment: One respondent stated that standardizing identification systems would benefit DoD. However, the respondent was concerned that the rule could have an adverse impact on smaller, i.e. AbilityOne and FPI, vendors. The respondent inquired as to whether implementation of the rule would apply to existing awards, and if so, might cause an additional adverse impact.

Response: The revision of the use of "F" in PIINs will have no impact on the smaller AbilityOne and FPI vendors; it is simply an award identifier. DoD uses other data elements, such as specific DUNS numbers and validations from the Ability One Program, as indicators for awards to Federal Prison Industries and Ability One vendors. The final rule is a prospective change to DFARS. Existing award and order numbers will not be changed. DoD anticipates no adverse impacts from implementation of this rule.

III. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory

alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is not a significant regulatory action and, therefore, was not subject to review under section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

IV. Regulatory Flexibility Act

DoD does not expect this final rule to have a significant economic impact on a substantial number of small entities because it applies to a narrowly limited population of procurement actions however, a final regulatory flexibility analysis has been prepared consistent with the Regulatory Flexibility Act, 5 U.S.C. 601, et seq., and is summarized as follows:

This rule will clarify which contracts are to be coded with an "F" in the 9th position of the PIIN. It is not anticipated that the rule will impact small entities as it only impacts the internal operating procedures of the Government by specifying how the assigned PIIN is constructed for certain procurement

actions. This change limits the use of "F" in the 9th position to task and delivery orders and calls issued under a non-DoD issued contract or agreement. As a result of the rule, new awards under the AbilityOne program and the FPI programs will no longer reflect an "F" in the 9th position of the in the PIIN. DoD uses other data elements, such as specific DUNS numbers and validations from the Ability One Program, as indicators for awards to Federal Prison Industries and Ability One vendors.

V. Paperwork Reduction Act

The rule does not contain any information collection requirements that require the approval of the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. chapter 35).

List of Subjects in 48 CFR Part 204

Government procurement.

Kortnee Stewart

Editor, Defense Acquisition Regulations System.

Therefore, DoD amends 48 CRF part 204 as follows:

1. The authority citation for part 204 continues to read as follows:

Authority: 41 U.S.C. 1303 and 48 CFR Chapter 1.

PART 204—ADMINISTRATIVE MATTERS

2. Section 204.7003 is amended by revising paragraphs

(a)(3)(iii) and (iv) to read as follows:

204.7003 Basic PII number.

(a) * * *

(3) * * *

(iii) Contracts of all types except indefinite-delivery contracts, sales contracts, and short form research contracts. Do not use this code for contracts or agreements with provisions for orders or calls.—C

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(vi) Calls against blanket purchase agreements and orders under contracts (including Federal Supply Schedules, Governmentwide acquisition contracts, and multi-agency contracts) and basic ordering agreements issued by departments or agencies outside DoD. Do not use the 'F' designation on DoD-issued purchase orders, contracts, agreements, or orders placed under DoD-issued contracts or agreements.—F

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204.7004 Supplementary PII numbers (d)(2)(ii)

3. Section 204.7004 is amended by revising paragraph

(d)(2)(ii) to read as follows:

* * * * *

(d) * * *

(2) * * *

(ii) If an office is placing calls against non-DoD blanket purchase agreements or orders under non-DoD issued contracts (including Federal Supply Schedules, Governmentwide acquisition contracts, and multi-agency contracts), or basic ordering agreements, the office shall identify the instrument with a 13 position supplementary PII number using an F in the 9th position. Do not use the same supplementary PII number with an F in the 9th position on more than one order. Modifications to these calls or orders shall be numbered in accordance with paragraph (c) of this section.

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